

1                   A bill to be entitled  
2       An act relating to net metering; amending s. 366.91,  
3       F.S.; requiring the Public Service Commission to  
4       propose new net metering rules, by specified dates,  
5       that comply with specified criteria; authorizing  
6       certain customers who own or lease renewable  
7       generation to remain under the existing net metering  
8       rules that currently apply to those customers for a  
9       specified time; providing a schedule of reductions to  
10      net metering rate designs that apply to customers who  
11      install purchased or leased renewable generation after  
12      specified dates; providing conditions under which  
13      rules must be initiated if penetration rates of  
14      customer-owned or leased renewable generation meet  
15      specified thresholds; authorizing public utilities to  
16      recover specified lost revenues upon meeting certain  
17      requirements; providing applicability; providing an  
18      effective date.

19  
20   Be It Enacted by the Legislature of the State of Florida:

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22       Section 1. Subsection (5) of section 366.91, Florida  
23   Statutes, is amended to read:

24       366.91 Renewable energy.—

25       (5) (a) ~~On or before January 1, 2009,~~ Each public utility

26 shall develop a standardized interconnection agreement and net  
27 metering program for customer-owned or leased renewable  
28 generation. The commission shall establish requirements relating  
29 to the expedited interconnection and net metering of customer-  
30 owned or leased renewable generation by public utilities and  
31 shall ~~may~~ adopt new rules to administer this section.

32 (b) Public utility net metering programs for customer-  
33 owned or leased renewable generation must provide that:

34 1. Electricity used by the customer in excess of the  
35 generation supplied by customer-owned renewable generation is  
36 billed by the public utility in accordance with normal billing  
37 practices;

38 2. Excess customer-owned renewable generation delivered to  
39 the public utility's electric grid must be credited to the  
40 customer's energy consumption for the next month's billing cycle  
41 as follows:

42 a. For energy credits produced from customer-owned or  
43 leased renewable generation that is placed in service before  
44 January 1, 2023, the customer's energy usage shall be offset by  
45 the entire amount credited;

46 b. For energy credits produced from customer-owned or  
47 leased renewable generation that is placed in service between  
48 January 1, 2023, and December 31, 2025, the customer's energy  
49 usage shall be offset by 75 percent of the amount credited;

50 c. For credits produced from customer-owned or leased

51 renewable generation that is placed in service between January  
52 1, 2026, and December 31, 2026, the customer's energy usage  
53 shall be offset by 60 percent of the amount credited;

54 d. For credits produced from customer-owned or leased  
55 renewable generation that is placed in service between January  
56 1, 2027, and December 31, 2028, the customer's energy usage  
57 shall be offset by 50 percent of the amount credited.

58 (c) A public utility customer who owns or leases renewable  
59 generation that is placed in service before January 1, 2029,  
60 pursuant to a standard interconnection agreement offered by a  
61 public utility, shall be granted 20 years to continue to use the  
62 net metering rate design and rates that applied at the time the  
63 renewable generation was placed into service. This paragraph  
64 applies to customers who purchase or lease real property upon  
65 which customer-owned or leased renewable generation is installed  
66 for all or part of that 20-year period.

67 (d) The commission must adopt new rules to become  
68 effective January 1, 2029, that establish a new program design  
69 for customer-owned or leased renewable generation that is placed  
70 in service on or after January 1, 2029. The new program design  
71 must comply with the following criteria:

72 1. Public utility customers owning or leasing renewable  
73 generation must pay the full cost of electric service and may  
74 not be subsidized by the public utility's general body of  
75 ratepayers.

76        2. All energy delivered by the public utility must be  
77 purchased at the public utility's applicable retail rate and all  
78 energy delivered by the customer-owned or leased renewable  
79 generation to the public utility must be credited to the  
80 customer at the public utility's full avoided costs.

81        3. The program design must include any combination of  
82 fixed charges, which may include base facilities charges,  
83 electric grid access fees, and monthly minimum bills, that the  
84 commission determines are necessary to ensure that the public  
85 utility recovers the fixed costs of serving customers that own  
86 or lease renewable generation and that the general body of  
87 public utility ratepayers do not subsidize customer-owned or  
88 leased generation.

89        (e) The commission must initiate rulemaking to adopt a new  
90 program design that complies with subparagraphs (d)1.-3. if,  
91 before the commission initiates rulemaking under paragraph (d),  
92 the commission, upon petition or on its own motion, finds that:

93        1. The penetration rate of customer-owned or leased  
94 renewable generation across all investor-owned electric utility  
95 service territories in the state has reached or exceeded 6.5  
96 percent within the preceding calendar year. A new program design  
97 adopted pursuant to this subparagraph becomes effective 180 days  
98 after rule adoption and shall apply to customer-owned or leased  
99 renewable generation placed in service after that effective  
100 date; or

101        2. The actual penetration rate of customer-owned or leased  
102 renewable generation across all investor-owned electric utility  
103 service territories in the state increased, on an absolute  
104 basis, by more than 1 percentage point over the course of a  
105 calendar year for any calendar year after 2024. A new program  
106 design adopted pursuant to this subparagraph becomes effective 1  
107 year after rule adoption and shall apply to customer-owned or  
108 leased renewable generation placed in service after the  
109 effective date.

110  
111 For purposes of this paragraph, the penetration rate shall be  
112 calculated by dividing the aggregate total summer peak demand of  
113 all investor-owned electric utilities in the state by the  
114 aggregate gross power rating (alternating current) of all in-  
115 service customer-owned or leased renewable generation across all  
116 investor-owned electric utility service territories in the  
117 state.

118        (f) This subsection establishes the minimum requirements  
119 for each public utility net metering program. A public utility  
120 may petition the commission at any time for approval to offer a  
121 net metering program on terms that are not less favorable to  
122 customers who own or lease renewable generation than the terms  
123 required by this subsection or commission rules adopted pursuant  
124 to this subsection.

125        (g)1. A public utility may recover, through its fuel and

126 purchased power cost recovery charge, its lost revenues  
127 resulting from the incremental addition of residential customer-  
128 owned or leased solar photovoltaic generation within the public  
129 utility's service territory between July 1, 2022 and December  
130 31, 2023, above the level that such generation, for purposes of  
131 setting base rates in the public utility's most recent base rate  
132 proceeding, was estimated to be installed within the public  
133 utility's service territory during the same period.

134 2. A public utility seeking recovery of lost revenues  
135 under this paragraph must file with the commission a petition  
136 that:

137 a. Identifies the total capacity of residential customer-  
138 owned or leased solar photovoltaic generation that, for purposes  
139 of setting base rates in the public utility's most recent base  
140 rate proceeding, was estimated to be installed in the public  
141 utility's service territory between July 1, 2022, and December  
142 31, 2023;

143 b. Identifies the total capacity of residential customer-  
144 owned or leased solar photovoltaic generation that was installed  
145 in the public utility's service territory between July 1, 2022,  
146 and December 31, 2023;

147 c. Demonstrates the difference in revenues collected by  
148 the public utility as a direct result of the incremental  
149 difference in the estimated and actual capacity additions  
150 identified in sub-subparagraphs a. and b. and identifies the

151 specific amount that the utility seeks to recover;

152 d. Demonstrates that the relief requested does not cause  
153 the public utility to exceed the rate of return on equity  
154 authorized by the commission in the public utility's most recent  
155 base rate proceeding; and

156 e. Includes such other information as the commission may  
157 require by rule.

158 3. Upon receipt of a petition that meets the requirements  
159 of subparagraph 2., the commission must determine the amount, if  
160 any, that the utility is entitled to recover under this  
161 paragraph.

162 4. A petition filed under this section may not be filed  
163 before December 31, 2023, or after March 31, 2024.

164 5. The Legislature provides the limited, extraordinary  
165 relief set forth in this paragraph to address the potential  
166 impact on a public utility of a previously unanticipated surge,  
167 unaccounted for in the utility's last rate case, in the  
168 installation of customer-owned or leased renewable generation  
169 over the period specified in this section. The Legislature  
170 makes no findings as to whether the recovery of lost revenues by  
171 a public utility is appropriate for any other purpose.

172 Section 2. This act shall take effect July 1, 2022.